STATE OF SOUTH CAROLINA BEFORE THE SOUTH CAROLINA PUBLIC SERVICE COMMISSION

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APPLICATION OF BLUE CASA TELEPHONE, LLC FOR AUTHORITY TO PROVIDE RESOLD AND FACILITIES-BASED LOCAL EXCHANGE AND INTEREXCHANGE SERVICE

Blue Casa Telephone, LLC ("Blue Casa" or "Applicant"), pursuant to S.C. Code Ann. § 56-9-280(B)¹ and Section 253 of the Telecommunications Act of 1996², respectfully submits this Application for Authority to Provide Resold and Facilities-Based Local Exchange and Interexchange Service ("Application") in the State of South Carolina and for local service offerings to be regulated in accordance with procedures authorized for NewSouth

 $^{^{1}\}mathrm{As}$ amended by Act No. 354, signed by the Governor on June 6, 1996.

²Telecommunications Act of 1996, 47 U.S.C. § 253 (1996):

Communications in Order No. 98-165 in docket No. 97-467-C; and for interexchange service offerings to be regulated in accordance with procedures established for alternative regulation in Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C.

Blue Casa intends to offer interexchange service to both business and residential customers throughout the state. Applicant intends to provide resold and facilities-based/UNE local exchange service to customers located in non-rural local exchange carriers' service areas of South Carolina. Should its Application be granted, Blue Casa plans to commence offering service immediately upon the establishment of the appropriate and necessary resale arrangements with the incumbent Local Exchange Carriers ("LECs"). Applicant will be negotiating an interconnection agreements with AT&T, Verizon, CenturyLink, and Windstream (collectively the "Underlying Carriers") to provide local service.

Approval of this Application will promote the public interest by increasing the level of competition in the South Carolina telecommunications market. Ultimately, competition will compel all telecommunications service providers to operate more efficiently and pass the resultant cost savings on to consumers. In addition, as a result of competition, the overall quality of local exchange and interexchange service will improve.

In support of its Application, Blue Casa states as follows:

I. Introduction

1. The name and address of the Applicant are:

Blue Casa Telephone, LLC 114 E. Haley Street, Suite A Santa Barbara, California 93101

2. All correspondence, notices, inquiries and other communications regarding this Application should be directed to:

Lance J.M. Steinhart Lance J.M. Steinhart, P.C. 1725 Windward Concourse Suite 150

Alpharetta, Georgia 30005 Telephone: 770/232-9200 Facsimile: 770/232-9208

E-Mail: info@telecomcounsel.com

Local Counsel:

Scott Elliott, Esq. Elliott & Elliott, P.A. 1508 Lady Street

Columbia, SC 29201 Telephone: 803/771-0555 Facsimile: 803/771-8010

E-Mail: selliott@elliottlaw.us

- 3. In support of this Application, the following exhibits are attached hereto:
 - Exhibit A Blue Casa's Articles of Organization filed with the Secretary of State for the State of California;
 - b. Exhibit B Blue Casa's Certificate of Authority to Operate in South Carolina as a Foreign Corporation;
 - c. Exhibit C Blue Casa's Financial Information
 - d. Exhibit D Biographies of selected Blue Casa management;
 - e. Exhibit E Illustrative Price List for Local Exchange Service; and
 - f. Exhibit F Proposed Tariff for Interexchange Service.

II. Description of the Applicant

1. General Information

Applicant is a California Limited Liability Company, which was formed on January 25, 2011. The company is headquartered at 114 E. Haley Street, Suite A, Santa Barbara, California 93101.

2. Customer Service

Blue Casa's customer service representatives are available to assist its customers and will promptly respond to all customer inquiries. Customers may call (866) 566-2583 or a local number. The applicable toll free or local numbers will be printed on customers' monthly billing statements. Alternately, customers wishing to communicate with an Blue Casa customer service representative in writing may send written correspondence to Blue Casa at:

Blue Casa Telephone, LLC ATTN: Customer Service 114 E. Haley Street, Suite A Santa Barbara, California 93101

Blue Casa's customer service representatives are prepared to respond to a broad range of service matters, including inquiries regarding: (1) the types of services offered by Blue Casa and the rates associated with such services; (2) monthly billing statements; (3) problems or concerns pertaining to a customer's current service; and (4) general service matters.

III. <u>Blue Casa Possesses the Technical, Managerial and Financial Expertise Necessary to Provide Local Exchange and Interexchange Service</u>

Blue Casa possesses the requisite technical, financial and managerial capabilities to operate as a competitive telecommunications provider. These capabilities are explained in detail below.

1. Financial Qualifications

Blue Casa is financially able to provide the services proposed in its tariff as evidenced by its financial information.

2. Managerial Qualifications

Blue Casa's senior management team is highly skilled, having acquired considerable experience in the telecommunications industry. Using this extensive expertise, Blue Casa's management team has developed innovative marketing strategies. In conjunction with effective financial and operational measures, these marketing strategies will enable the company to provide quality service at competitive rates, while resulting in profitable operations for the Applicant. Blue Casa has extensive experience in the technical, managerial, and financial aspects of the telecommunications industry.

3. Technical Qualifications

Applicant's key management personnel have significant business and telecommunications experience. Applicant is currently authorized to provide local exchange and Lifeline services in California. Blue Casa is in the process of obtaining authorization to provide local and/or interexchange service in Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Michigan, Mississippi, North Carolina, Tennessee, and Texas. No such applications have been denied or dismissed. Applicant will also rely upon the technical expertise and telecommunications experience of its underlying carriers.

Applicant seeks authority to resell and provide through its own or leased facilities local exchange services throughout the State primarily in the areas served by the Underlying Carriers.

Applicant's local calling areas initially will coincide with the incumbent local exchange carrier's

local calling areas. Upon its entry into the South Carolina market, Applicant may install equipment for the provision of local exchange services. Applicant would probably use the following or a similar configuration of equipment: Applicant will provide voice and high speed data services through a combination of the latest technology switching and transport media. The switching system will consist of a central processing and control complex capable of interconnection as a peer to the incumbent as well as competitive local exchange companies. The hub portion of the switch will interconnect with the public switched network on Signaling System 7 ("SS7") or Feature Group D ("FGD") facilities. The system's remote module capability will allow properties to be served in a manner that provides the exchange of appropriate signaling, control and calling/caller information to the network in accordance with network standards and specifications. Additionally, these services may be delivered over a combination of delivery mechanisms through incumbent local carriers' unbundled loop network, both copper and fiber and transport networks, as well as via Applicant constructed facilities. Its services will be available on a full-time basis, twenty-four hours a day, seven days a week, to customers within the geographic boundaries of the State of South Carolina. Customers will be billed by Applicant. Applicant is committed to providing access to a local operator, directory assistance, 911 services, and dual relay services. Applicant is also willing to accept its obligations to collect 911 and dual relay service surcharges from its local exchange customers, and to remit those funds to the appropriate authorities.

As the foregoing illustrates, Blue Casa possesses considerable telecommunications expertise. Blue Casa is technically qualified to provide local exchange and interexchange telecommunications services in South Carolina.

IV. Approval of Blue Casa's Application is in the Public Interest

Granting Blue Casa's Application is consistent with S.C. Code Ann. § 58-9-280(B), as amended by 1996 Act No. 354, and, in that regard Applicant makes the following representations to the Commission:

- a. Applicant possesses the technical, financial, and managerial resources sufficient to provide the services requested;
- b. Applicant's services will meet the service standards required by the Commission;
- c. The provision of local and interexchange services by Applicant will not adversely impact the availability of affordable local and interexchange service;
- d. Applicant, to the extent it is required to do so by the Commission, will participate in the support of universally available telephone service at affordable rates; and,
- e. The provision of local and interexchange services by Applicant will not adversely impact the public interest.

The demands of a competitive market are a better means to achieve affordability and quality of service than a monopoly environment. As competitors vie for market share, they will compete based upon price, innovation and customer service.

Those providers trust that offer consumers the most cost effective products will gain market share. In contrast, providers whose products do not meet the needs of consumers will lose market share and, ultimately, be eliminated from the industry.

Additionally, Blue Casa's entry into the local exchange and interexchange markets will not unreasonably prejudice or disadvantage any telephone service providers. Incumbent local exchange carriers presently serve a large majority of the local exchange customers in South Carolina. The major advantages of incumbency (i.e., ownership of the existing local network as well as access to, and long-standing relationships with, every local customer) constitute a

substantial obstacle to new entrants. Moreover, exchange services competition will stimulate the demand for the services supplied by all local service carriers, including those of the incumbent LECs. Thus, in a competitive market, there will be increased potential for such LECs to generate higher revenues. Additionally, in a competitive market, incumbent providers will have market incentives to improve the efficiency of their operations, thereby reducing their costs and ultimately their profit margins. Finally, it is important to recognize that in a competitive market, incumbent LECs will derive revenues from both resellers of their local exchange and interexchange services as well as facilities based competitive local exchange providers.

A competitive local and interexchange service market comprised of incumbents and competitive providers such as Blue Casa will offer consumers a competitive option and, therefore, will better satisfy the needs of various market segments. In this regard, approval of this Application is clearly in the public interest.

V. <u>Description of Services Offered and Service Territory</u>

For informational purposes, Blue Casa has filed with this Application an illustrative price list based on Blue Casa's current expectations regarding local services. (Exhibit "E"). Blue Casa seeks authority to offer the following services:

Interexchange (switched and dedicated services):

- A. 1+ and 101XXXX outbound dialing; and
- B. 800/888 toll-free inbound dialing.

Local Exchange:

- A. Local Exchange Services that will enable customers to originate and terminate local calls in the local calling area served by other LECs.
- B. Switched local exchange services, including basic service, trunks, carrier access, and any other switched local services that currently exist or will exist in the future.
- C. Non-switched local services (e.g., private line) that currently exist or will exist in the future.
- D. Centrex and/or Centrex-like services that currently exist or will exist in the future.
- E. Digital subscriber line, ISDN, and other high capacity services.

Prior to providing local exchange services to the public in South Carolina, Blue Casa will file a complete Final Tariff and/or Price List with the Commission. Furthermore, Applicant submits contemporaneously with this application its proposed tariff for local exchange service (Exhibit E) and interexchange service (Exhibit F), which contain a description of services to be provided, all rules and regulations applicable to such services, and proposed rates for such services.

VI. Waivers and Regulatory Compliance

Blue Casa requests that the Commission grant it a waiver of those regulatory requirements inapplicable to competitive local service providers such as Blue Casa. Such rules are not appropriate or necessary for competitive providers and constitute an economic barrier to entry into the local exchange market.

1. Financial Record-Keeping System

- a. Blue Casa respectfully requests that it be exempt from any record-keeping rules or regulations that might require a carrier to maintain its financial records in conformance with the Uniform System of Accounts ("USOA"). The USOA was developed by the FCC as a means of regulating telecommunications companies subject to rate base regulation.
- b. As a competitive carrier, Blue Casa maintains its book of accounts in accordance with Generally Accepted Accounting Principles ("GAAP"). Neither the FCC, nor the Commission, has required Blue Casa to maintain its records under the USOA for purposes of Blue Casa's interexchange operations. Thus, Blue Casa does not possess the detailed cost data required by USOA, nor does it maintain detailed records on a state-specific basis. As a competitive provider, Blue Casa's network operations are integrated to achieve maximum efficiency. Having to maintain records pertaining specifically to its South Carolina local service operations would place an extreme burden on Blue Casa.

- c. Moreover, Blue Casa asserts that because it utilizes GAAP, the Commission will have a reliable means by which to evaluate Blue Casa's operations. Therefore, Blue Casa hereby respectfully requests to be exempt from the any USOA requirements of the Commission.
- d. In addition, the Company hereby respectfully requests a waiver of 26 S.C. Code & Ann. Regs. 103-610, which requires books and records to be kept in the State of South Carolina, but rather, the Company desires to keep its books and records at its principal place of business.

2. Local Exchange Directories

Applicant respectfully requests a waiver of the requirement in Rule 103-631 to publish and distribute local exchange directories. Blue Casa will make arrangements with the incumbent LECs whereby the names of Blue Casa's customers will be included in the directories published by the incumbent LECs. LEC directories will also be modified to include Blue Casa's customer service number. These directories will be distributed to Blue Casa's customers. This approach is entirely reasonable and will have a direct benefit to the customers of both Blue Casa and the incumbent LEC since they need only refer to one directory for a universal listing of customer information. It would be an unnecessary burden on Blue Casa to require that it publish and distribute its own directory to all customers located within each exchange area, particularly since nearly all of these customers will be customers of the incumbent LECs. It is more efficient for Blue Casa to simply include its limited customer list in the existing directories of the incumbent LECs.

3. Flexible Regulation of Local Services and Alternative Regulation of Interexchange Services

Applicant respectfully requests that its local service offerings be regulated in accordance with procedures authorized for NewSouth Communications in Order No. 98-165 in docket No. 97-467-C. Additionally, Applicant respectfully requests that its interexchange service offerings be regulated in accordance with procedures established for alternative regulation in Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C.

4. Marketing Practices

Pursuant to the South Carolina Public Service Commission's Order No. 95-658 (issued March 20, 1995), Applicant makes the following affirmation relating to the Applicant's provision of services:

As a telephone utility under the regulation of the Public Service Commission of South Carolina, Carrier does hereby assert and affirm that as a provider of intrastate telecommunications service, Carrier will not indulge or participate in deceptive or misleading telecommunications marketing practices to the detriment of consumers in South Carolina, and will comply with those marketing procedures, if any, set forth by the Public Service Commission. Additionally, Carrier will be responsible for the marketing practices of its contracted telemarketers for compliance with this provision. Carrier understands that violation of this provision could result in a rule to show cause as to the withdrawal of its certification to complete intrastate telecommunications traffic within the state of South Carolina.

5. Maps

Applicant's local exchange calling areas will initially mirror the service areas of the incumbent local exchange carriers; therefore, Applicant hereby respectfully requests a waiver of the map-filing requirement pursuant to 26 S.C. Code & Ann. Regs. 103-612.2.3 and of 26 S.C. Code Ann. Regs. 103-631 requiring publication of directories.

VII. Conclusion

This Application demonstrates that Blue Casa Telephone, LLC, possesses the technical, financial and managerial resources to provide resold and facilities-based local exchange and interexchange service in the State of South Carolina. Furthermore, granting this Application will promote the public interest by increasing the level of competition in the South Carolina telecommunications market. Ultimately, competition will compel all exchange telecommunications service providers to operate more efficiently and pass the resultant cost savings on to consumers. In addition, as a result of competition, the overall quality of local exchange and interexchange service will improve. As stated above, Applicant does not intend to provide local service, by its own facilities or otherwise, to any customer located in a rural incumbent LEC's service area, until Applicant provides such LECs notice of intent at least 30 days prior to the date of the intended service.

Wherefore, Blue Casa Telephone, LLC, respectfully petitions this Commission for authority to operate as a reseller and facilities-based provider of local exchange and interexchange telecommunications services in the State of South Carolina and for local service offerings to be regulated in accordance with procedures authorized for NewSouth

Communications in Order No. 98-165 in docket No. 97-467-C; and for interexchange service offerings to be regulated in accordance with procedures established for alternative regulation in Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C, in accordance with this Application and for such other relief as it deems necessary and appropriate.

Respectfully submitted,

Blue Casa Telephone, LLC

Lance J.M. Steinhart

Lance J.M. Steinhart, PC

1725 Windward Concourse, Suite 150

Alpharetta, Georgia 30005

(770) 232-9200 (Telephone)

(770) 232-9208 (Facsimile)

info@telecomcounsel.com (E-Mail)

and

Scott Elliott, Esq.

Elliott & Elliott, P.A.

1508 Lady Street

Columbia, SC 29201

(803) 771-0555 (Telephone)

(803) 771-8010 (Facsimile)

selliott@elliotlaw.us (E-Mail)

Attorneys for Applicant

Manc 3. , 20 109

VERIFICATION OF APPLICANT

I, Jeff Compton, President to Blue Casa Telephone, LLC, a California Limited Liability Company, the applicant for a Certificate of Public Convenience and Necessity from the Public Service Commission of the State of South Carolina, verify that based on information and belief, I have knowledge of the statements in the foregoing Application, and I declare that they are true and correct.

Jeff Compton / President

Blue Casa Telephone, LLC

Sworn to me, the undersigned Notary Public on this_____ day of ________,20___

State of California
County of Santa Barbara

See County of Canta Barbara

Notary Public

JURAT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

(Seal)

EXHIBIT "A" ARTICLES OF ORGANIZATION



Representation of Manager Johnson

State of California Secretary of State

LIMITED LIABILITY COMPANY

ARTICLES OF ORGANIZATION

201102510312

LLG-1

ENDORSED - FILED in the office of the Secretary of State of the State of California

JAN 25 2011

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| IMPORTANT - Read instructions before completing this form. | This Space For Filing Use Only | | | |
| ENTITY NAME (End the name with the words "Limited Liability Company," or the abbreviations "LLC" or "LLC." The words "Limited" and "Company" may be abbreviated to "Ltd." and "Co., "respectively.) | | | | |
| 1. NAME OF LIMITED LIABILITY COMPANY | | | | |
| Blue Casa Telephone, LLC | | | | |
| PURPOSE (The following statement is required by statute and should not be altered.) | | | | |
| 2. THE PURPOSE OF THE LIMITED LIABILITY COMPANY IS TO ENGAGE IN ANY LAWFL COMPANY MAY BE ORGANIZED UNDER THE BEVERLY-KILLEA LIMITED LIABILITY COMPA | ULACT OR ACTIVITY FOR WHICH A LIMITED LIABILITY NYACT. | | | |
| INITIAL AGENT FOR SERVICE OF PROCESS (If the agent is an individual, the agent completed. If the agent is a corporation, the agent trust have on file with the California Section 1505 and flore 5 trust by completed (leave turn 4 blank). | must reside in California and both items 3 and 4-must be retary of State a certificate pursuant to Corporations Code | | | |
| 3, NAME OF INITIAL AGENT FOR SERVICE OF PROCESS | | | | |
| Glenn Stover - Stoverlaw | | | | |
| 4. IF AN INDIVIOUAL, ADDRESS OF INITIAL AGENT FOR SERVICE OF PROCESS IN CALIFORN | RA CITY STATE ZIP CODE | | | |
| 584 Castro Street, #199 | San Francisco CA 94114-2594 | | | |
| MANAGEMENT (Check only one) | | | | |
| 5. THE LIMITED LIABILITY COMPANY WILL BE MANAGED BY: | | | | |
| ONE MANAGER | | | | |
| MORE THAN ONE MANAGER | | | | |
| ALL LIMITED LIABILITY COMPANY MEMBER(S) | | | | |
| ADDITIONAL INFORMATION | | | | |
| ADDITIONAL INFORMATION SET FORTH ON THE ATTACHED PAGES, IF ANY, IS INCORPOR OF THIS CERTIFICATE. | RATED HEREIN BY THIS REFERENCE AND MADE A PART | | | |
| EXECUTION | | | | |
| 7. I DECLARE I AM THE PERSON WHO EXECUTED THIS INSTRUMENT, WHICH EXECUTION IS 1/25/2011** BISNATURE OF ORGANIZED EILE OF ORDANIZED TYPE OR PRINT NAME OF O | R , | | | |
| I.C.) (REV 0/(2007) | APPROVED BY SECRETARY OF STATE | | | |

JAN 25 2011

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Date:

DEBRA BOWEN, Secretary of State

EXHIBIT "B" FOREIGN QUALIFICATION

The State of South Carolina



Office of Secretary of State Mark Hammond

Certificate of Authority

I, Mark Hammond, Secretary of State of South Carolina Hereby Certify that:

Blue Casa Telephone, LLC, a limited liability company duly organized under the laws of the State of California, and issued a certificate of authority to transact business in South Carolina on April 7th, 2017, with a duration that is at will, has as of this date filed all reports due this office, paid all fees, taxes and penalties owed to the State, that the Secretary of State has not mailed notice to the company that it is subject to being dissolved by administrative action pursuant to S.C. Code Ann. §33-44-1006, and that the company has not filed a certificate of cancellation as of the date hereof.

Given under my Hand and the Great Seal of the State of South Carolina this 11th day of March, 2019.

Mark Hammond, Secretary of State

EXHIBIT "C" FINANCIAL INFORMATION

CONFIDENTIAL & PROPRIETARY

FILED UNDER SEAL

EXHIBIT "D" BIOGRAPHY INFORMATION

JEFF COMPTON

President and CEO

Mr. Compton manages all aspects of BCT's telecommunications operations, including planning, marketing, sales, and day-to-day management. Mr. Compton has a Bachelor of Science Business Management degree from the University of Phoenix. Mr. Compton has worked in the telecommunications industry for 21 years, and for the past 8 years has served as the CEO/President of Blue Casa Telephone, LLC, an ETC and CLEC providing residential general market and Lifeline telephone service and broadband, as well as small and medium size business customers. His areas of expertise include strategic planning, operation and administration of local exchange carriers, financing, program development, and general business management.

Mr. Compton began his telecommunications carrier as a Manager Network

Operations for FirstWorld Communications, a fiber overbuilder in Anaheim California

where he was responsible for building out the physical equipment layout, turning up the
electronics, and the copper wire connections in a colocation network encompassing 48

colocations within ATT (SBC at the time) and Verizon central offices. Mr. Compton was
responsible for all aspects of planning, project management and completion of the
colocation network.

Mr. Compton was one of the original 10 employees of Telscape Communications where his first assignment in network operations was to construct Telscape's central offices. Mr Compton's responsibilities included; planning the physical building and environmental systems backups including power, air conditioning, earthquake safety,

and fire suppression requirements, telecommunication switch installation and dial tone turnup. After the switch installation's successful completion, Mr. Compton was assigned coordinate the provisioning of service with ATT, Verizon and competitive local exchange providers. During Mr. Compton's tenure in managing the provisioning process he was active in the SBC User Forum and Change Management Process groups and was Chairman and Vice-Chair of the User Forum. Mr. Compton has been active in the regulatory community for over a decade during which Mr. Compton has acted as an expert witness in facilities base carrier operations during the UNE proceedings of 2001-2003 at the state and federal level. Mr. Compton undertook regulatory responsibilities at Telscape between 2002 – 2009.

Mr. Compton was responsible for setting up Telscape Communication's billing tax compliance processes in which was audited by the CPUC during Mr. Compton's tenure and found to be in compliance with tax and surcharge collection and remittance. Mr. Compton has studied telecom tax and compliance issues for over a decade and continues to work to stay at the forefront of best practices and compliance guidelines.

Mr. Compton has had long-standing relations with Neustar, NECA, USAC, the FCC and many state PUC's/PSC/'s. As VP Regulatory for Telscape Communications, a facilities based carrier, Mr. Compton was responsible for regulatory reporting, compliance, and communication with all regulatory agencies and Commissions. As an independent consultant, Mr Compton has worked for many CLEC's to help resolve regulatory and industry issues of compliance and dispute.

Mr. Compton has been a leader in telecommunications community outreach. In 2005 when the California Lifeline program when through certification changes Mr. Compton led the change with customer Lifeline assistance kiosks at Telscape's retail locations, championed extra phone calls and letters to communicate changes with Lifeline participants so they did not lose their Lifeline services even though the extra services provided were not reimbursed by the Lifeline fund.

For Mr. Compton, outreach goes beyond making money. For example, one morning Mr. Compton got an email notification from an community based organization in Santa Ana that an apartment fire had destroyed an apartment building displacing over 20 families. Mr. Compton grabbed a stack of prepaid phone cards and when to the apartment site in Santa Ana and worked with the Red Cross to get prepaid phone cards distributed with the families assistance packages. Mr. Compton did not ask for recognition, did not stay around for television interviews, and did not mention it again until writing it in this application. Mr. Compton's sole motivation was to ensure that families would be able to stay connected to family, work and school contacts during a traumatic time of their life.

Mr. Compton was a founding Board member and President of the Norco Regional Conservancy, a 501.c.3 working to preserve the open space and rural environment in the Norco California region, for 5 years. Mr. Compton was appointed by the Norco city council to serve on the Economic Development Advisory Council where he served from 2009-2010 and was selected as chairperson by its members. Mr. Compton was selected by the Fire Chief of the Norco Fire Department to serve on the

Fire Department task for on Emergency Response and Cost Structure where he was selected as Chairperson by his peers and led the group to changes that decreased response time to disparate areas of the city and reduced costs at the same time.

With these unique qualifications, he provides vision and direction for BCT.

HOWARD BRAND

DIRECTOR

Over the past 30 years, Howard Brand has established himself as a successful and accomplished entrepreneur and executive, with a focus in manufacturing, production and operations. During this time period, Mr. Brand has been successful in the acquisition, repositioning and divestiture of many private companies.

Mr. Brand is a strong, hands on operator who has acquired and operated companies as small as \$1,000,000 and as large as \$27,000,000 in annual sales managing as many as 600 employees and executives.

His key management strengths and skills include;

- Rapid assessment and improvement of plant operating efficiencies
- Excellent negotiation capabilities
- > Strong understanding of company and product strategic positioning
- Excellent people skills
- A well balanced focus between customer satisfaction and the company "bottom line"
- Strong understanding of the importance of financial "back office" operations and management reporting tools and capabilities (Howard has an MBA).
- Creative financial structuring skills and modeling capabilities.
- > Turnaround and Crisis Management

Collectively, he has attained broad industry experience in scrap metal recycling, business services, consumer goods, finance, investment banking, healthcare and manufacturing.

Mr. Brand is the President of HNB Capital LLC, a Los Angeles based investment banking firm, specializing in acquisitions and debt based corporate finance. Mr. Brand is a director of Color Labs Enterprises. Chatsworth Data, IOG Products and Gameworks Entertainment. Mr. Brand is

still actively involved with Olympia Medical Center and Downey Regional Medical Center. Mr. Brand has acted as an expert witness for Great American Appraisal in matters related to the scrap metal recycling industry. Mr. Brand provides management oversight through active participation on the Board of Directors. Mr. Brand helps management by, among other things, providing guidance to management in developing various corporate management tools (such as dashboards, SWOT analysis, metric reviews and budgeting).

Mr. Brand is a native of California and grew up in Los Angeles. Mr. Brand is 58 years old. He holds a BA in Economics from UCLA and a MBA from the University of West Los Angeles. Below are capsule descriptions of the various companies Mr. Brand owns and/or operates, at present, or has owned or operated in the past twenty-five years.

EXHIBIT "E" ILLUSTRATIVE LOCAL EXCHANGE PRICE LIST

TITLE SHEET

SOUTH CAROLINA LOCAL EXCHANGE SERVICES TARIFF

OF

BLUE CASA TELEPHONE, LLC

This tariff, filed with the South Carolina Public Service Commission, contains the rates, terms, and conditions applicable to Local Exchange Services within the State of South Carolina offered by Blue Casa Telephone, LLC.

ISSUED DATE:

EFFECTIVE DATE:

By:

CHECK SHEET

Pages of this tariff, as indicated below, are effective as of the date shown at the bottom of the respective pages. Original and revised pages, as named below, comprise all changes from the original tariff and are currently in effect as of the date on the bottom of this page.

| PAGE | REVISION | PAGE | REVISION |
|------|----------|------|----------|
| 1 | Original | 26 | Original |
| 2 | Original | 27 | Original |
| 3 | Original | 28 | Original |
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| 25 | Original | | |

ISSUED DATE:

EFFECTIVE DATE:

By:

CONCURRING CARRIERS

None

CONNECTING CARRIERS

None

OTHER PARTICIPATING CARRIERS

None

ISSUED DATE:

EFFECTIVE DATE:

By:

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| Section 9 - Current Price List |

ISSUED DATE:

EFFECTIVE DATE:

By:

SYMBOLS

The following are the only symbols used for the purposes indicated below:

- D Delete or discontinue.
- I Change resulting in an increase to a customer's bill.
- M Moved from another tariff location.
- N- New
- R Change resulting in a reduction to a customer's bill
- T Change in text or regulation.

ISSUED DATE:

EFFECTIVE DATE:

By:

Blue Casa Telephone, LLC

South Carolina Tariff No. 2 Original Sheet No. 6

APPLICATION OF TARIFF

This tariff contains the regulations and rates applicable to the furnishing of intrastate common carrier communication service by Blue Casa Telephone, LLC within the State of South Carolina.

ISSUED DATE:

EFFECTIVE DATE:

By:

TARIFF FORMAT

- A. Sheet Numbering Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between sheets 14 and 15 would be 14.1.
- B. Sheet Revision Numbers Revision numbers also appear in the upper right corner of each page. These numbers are used to determine, the most current sheet version on file with the Commission. For example, the 4th revised Sheet 14 cancels the 3rd revised sheet 14. Because of various suspension periods, deferrals, etc., the sheet number on file with the Commission is not always the tariff page in effect. Consult the Check Sheet for the sheet currently in effect.
- C. Paragraph Numbering Sequence There are nine levels of paragraph coding. Each level of coding is subservient to the next higher level:

2.1

2.1.1

2.1.1.A.

2.1.1.A.1.

2.1.1.A.1.(a)

2.1.1.A.1.(a).I

2.1.1.A.I.(a).I.(i).

2.1.1.A.1.(a).I.(i).(1).

D. Check Sheets – When a tariff filing is made with the Commission, an updated Check Sheet accompanies the tariff filing. The Check Sheet lists the sheets contained in the tariff, with a cross-reference to the current revision number. When new pages are added, the Check Sheet is changed to reflect the revision. All revisions made in a given filing are designated by an as asterisk (*). There will be no other symbols used on this page if these are the only changes made to it (i.e., the format, etc. remain the same, just revised revision levels on some pages.) The tariff user should refer to the latest Check Sheet to find out if a particular sheet is the most current on file with the Commission.

EFFECTIVE DATE:

ISSUED DATE:

SECTION 1 – TECHNICAL TERMS AND ABBREVIATIONS

Access Line – An arrangement which connects the customer's location to a Blue Casa switching center or point of presence.

Authorized User - A person, firm, corporation, or any other entity authorized by the Customer to communicate utilizing the Carrier's service.

Carrier or Company - Whenever used in this tariff, "Carrier," "Company," or "Blue Casa" refers to Blue Casa Telephone, LLC unless otherwise specified or clearly indicated by the context.

Commission - The South Carolina Public Service Commission.

Customer - The person, firm, corporation, or other entity which orders, cancels, amends, or uses service and is responsible for payment of charges and compliance with the Company's tariff.

LEC - Local Exchange Company

Local Exchange Services – Telecommunications services furnished for use by end-users in placing and receiving local telephone calls within local calling areas.

Resold Local Exchange Service – A service composed of the resale of exchange access lines and local calling provided by other authorized Local Exchange Carriers.

ISSUED DATE:

EFFECTIVE DATE:

By:

SECTION 2 – RULES AND REGULATIONS

2.1 Undertaking of the Company

The Company services offered pursuant to this tariff are furnished for Local Exchange Service among specified points with a Local Calling Area.

The Company's services are provided on a monthly basis unless otherwise indicated, and are available twenty-four hours per day, seven days per week.

2.2 Limitations

- 2.2.1 Service is offered subject to the availability of the necessary facilities and equipment, and subject to the provisions of this tariff.
- 2.2.2 Blue Casa reserves the right to discontinue or limit service when necessitated by conditions beyond its control, or when the Customer is using service in violation of provisions of this tariff, or in violation of the law.
- 2.2.3 The Company does not undertake to transmit messages, but offers the use of its facilities when available, and will not be liable for errors in transmission or for failure to establish Connections.
- 2.2.4 All facilities provided under this tariff are directly controlled by Blue Casa, and the Customer may not transfer or assign the use of service or facilities without the express written consent of the Company. Such transfer or assignment shall only apply where there is no interruption of the use or location of the service or facilities.
- 2.2.5 Prior written permission from the Company is required before any assignment or transfer. All regulations and conditions contained in this tariff shall apply to all such permitted assignees or transferees, as well as all conditions of service.

ISSUED DATE:

EFFECTIVE DATE:

By:

2.3 Use

Services provided under this tariff may be used for any lawful purpose for which the service is technically suited.

2.4 Liabilities of the Company

- 2.4.1 Blue Casa liability for damages arising out of mistakes, interruptions, omissions, delays, errors, or defects in transmission which occur in the course of furnishing service or facilities, in no event shall exceed an amount equivalent to the proportionate charge to the customer for the period during which the faults in transmission occur.
- 2.4.2 The Company shall not be liable for claim or loss, expense or damage (including indirect, special or consequential damage), for any interruption, delay, error, omission, or defect in any service, facility, or transmission provided under this tariff, if caused by any person or entity other than the Company, by any malfunction of any service or facility provided by any other carrier, by an act of God, fire, war, civil disturbance, or act of government, or by any other cause beyond the Company's direct control.
- 2.4.3 The Company shall not be liable for, and shall be fully indemnified and held harmless by Customer against any claim or loss, expense, or damage (including indirect, special or consequential damage) for defamation, libel, slander, invasion, infringement of copyright or patent, unauthorized use of trademark, trade name, or service mark, unfair competition, interference with or misappropriation or violation of any contract, proprietary or creative right, or any other injury to any person, property or entity arising out of the material, data, information, or other content revealed to, transmitted, or used by the Company under this tariff; or for any act or omission of the Customer; or for any personal injury or death of any person caused directly or indirectly by the installation, maintenance, location, condition, operation, failure, presence, use or removal of equipment or wiring provided by the Company, if not directly caused by negligence of the Company.
- 2.4.4 No agent or employee of any other carrier shall be deemed to be an agent or employee of the Company.
- 2.4.5 The Company shall not be liable for any defacement of or damages to the premises of a Customer resulting from the furnishing of service, which is not the direct result of the Company's negligence.

ISSUED DATE:

EFFECTIVE DATE:

By:

2.5 Deposits

The Company does not require a deposit from the Customer.

2.6 Payment for Service

- 2.6.1 The customer is responsible for all charges for services and equipment furnished to the Customer or to an authorized user of the Customer by the Company. All charges due by the Customer are payable to the Company or to the Company's authorized billing agent. Terms of payment shall be according to the rules and regulations of the billing agent and subject to the rules of regulatory agencies, including the Commission.
- 2.6.2 Customers pay an activation fee specified in section 9.1 of this tariff (maximum of \$60.00) and receive a term of 30 days of service for the first month. Each month after the initial start-up the customer will be pre-billed for 30 calendar days per month. The customer's bill will be created the day following the connection date (CN) at which time the billing cycle is established. The Company offers a pre-paid service that requires customers to pay prior to the service period. Each month the customer will be billed 20 calendar days before the due date for the following month's service. For the customer to remain in a pre-paid status the due date for the pre-payment is scheduled 5 calendar days prior to the service end date. If payment is not received within 5 days after the due date, additional attempts to contact the customer by phone are scheduled prior to the service suspension date. Customers who do not make payment are processed for suspension on the 11th day following the due date and are processed for disconnection 10 days after the date of suspension. If payment is not received by the service end date, the customer must pay a late payment fee in addition to the past due balance.
- 2.6.3 If service is suspended and the customer restores service, the customer is required to pay a restoration fee and any remaining balance. Refer to section 9.1 for appropriate fee charges.
- 2.6.4 If service is disconnected and the customer reinstates service, the customer is required to pay a reconnection fee and any remaining balance. Refer to section 9.1 for appropriate fee charges.

EFFECTIVE DATE:

ISSUED DATE:

2.7 **Taxes**

All state and local taxes (including, but not limited to franchise fees, excise tax, sales tax, municipal utilities tax, and FCC charges) are listed as separate line items and are not included in the quoted rates.

Terminal Equipment 2.8

The Company's facilities and service may be used with or terminated in Customer-provided terminal equipment or Customer provided communications systems, such as a PBX, key systems or Pay telephone. Such terminal equipment shall be furnished and maintained at the expense of the Customer, except as otherwise provided. The Customer is responsible for all costs at his or her premises, including personnel, wiring, electrical power, and the like incurred in the use of the Company's service. When such terminal equipment is used, the equipment shall comply with the generally accepted minimum protective criteria standards of the telecommunications industry as endorsed by the Federal Communications Commission.

2.9 **Installation and Termination**

Service is installed upon mutual agreement between the Customer and the Company. The agreement will determine terms and conditions of installation, termination of service, and conditions of installation, any applicable sales commission structure, and sales commission payment schedule. The service agreement does not alter rates specified in this tariff.

ISSUED DATE:

EFFECTIVE DATE:

By:

2.10 Other Rules

- 2.10.1 Company reserves the right to refuse to process Credit Card or Calling Card billed calls when authorization for use of the card cannot be validated.
- 2.10.2 The Company reserves the right to discontinue service, limit service, or to impose requirements on Subscribers as required to meet changing regulatory rules and standards of the South Carolina Public Service Commission.

2.11 Cancellation by the Customer

When a customer desires to have his service terminated, he must notify Blue Casa, either orally or in writing.

2.12 Interconnections

Service furnished by Blue Casa may be connected with the services or facilities of other carriers or enhanced service providers. The customer is responsible for all charges billed by these entities for use in connection with Blue Casa's service. Any special interface equipment or facilities necessary to achieve compatibility between these entities is the responsibility of the customer. Neither the Company nor any interconnections carrier participation in a service shall be liable for any act or omission of any other company or companies furnishing a portion of such service.

ISSUED DATE:

EFFECTIVE DATE:

By:

2.13 Refusal or Discontinuance by Company

Blue Casa may refuse or discontinue service under the following conditions provided that, unless otherwise stated, the Customer shall be given 15 days written notice to comply with any rule or remedy any deficiency:

- (a) For non-compliance with or violation of any State, municipal, or Federal law, ordinance or regulation pertaining to telephone service.
- (b) For use of telephone service for any other property or purpose than that described in the application.
- (c) For neglect or refusal to provide reasonable access to Blue Casa or its agents for the purpose of inspection and maintenance of equipment owned by Blue Casa and its agents.
- (d) For noncompliance with or violation of Commission regulation or Blue Casa's rules and regulations on file with the Commission, provided five days' written notice is given before termination.
- (e) For nonpayment of bills, provided that suspension or termination of service shall not be made without fifteen days written notice to the customer.
- (f) Without notice in the event of customer or authorized user use of equipment in such a manner as to adversely affect Blue Casa's equipment or service to others.
- (g) Without notice in the event of tampering with the equipment or services owned by Blue Casa or its agents.
- (h) Without notice in the event of unauthorized or fraudulent use of service. Whenever service is discontinued for fraudulent use of service, Blue Casa may before restoring service, require the customer to make, at his or her own expense, all changes in facilities or equipment necessary to eliminate illegal use and to pay an amount reasonably estimated as the loss in revenues resulting from such fraudulent use.
- (i) Without notice by reason of any order or decision of a court or other government authority having jurisdiction which prohibits Carrier from furnishing such services.
- (j) For extended periods of inactivity.

EFFECTIVE DATE:

ISSUED DATE:

2.14 Interruption of Service

Credit allowances for interruptions of services which are to due to the Carrier's testing or adjusting, to the negligence of the Customer, or to the failure of channels, equipment or communications systems provided by the Customer, are subject to the general liability provisions set forth in Section 2.4 herein. It shall be the obligation of the Customer to notify Carrier immediately of any interruption in service for which a credit allowance is desired by customer. Before giving such notice, Customer shall ascertain that the trouble is not within his or her control, or is not in wiring or equipment, if any, furnished by Customer and connected to Carrier's terminal. Interruptions caused by Customer-provided or Carrier-provided automatic dialing equipment are not deemed an interruption of service as defined herein since the Customer has the option of the long distance network via local exchange company access.

2.15 Restoration of Service

The use and restoration of service shall be in accordance with the rules and regulations of the South Carolina Public Service Commission.

2.16 Tests, Pilots, Promotional Campaigns and Contests

The Company may conduct special tests or pilot programs and promotions at its discretion to demonstrate the ease of use, quality of service and to promote the sale of its services. The Company may also waive a portion or all processing fees or installation fees for winners of contests and other occasional promotional events sponsored or endorsed by the company, provided the promotions are approved by the Commission. From time to time, the Company may waive all processing fees for a Customer.

ISSUED DATE:

EFFECTIVE DATE:

By:

2.17 Inspection, Testing, and Adjustment

Upon reasonable notice, the service provided by the Carrier shall be made available to the Carrier for tests and adjustments as may be deemed necessary by the Carrier for maintenance. No interruption allowance will be granted for the time during which such tests and adjustments are made.

2.18 Cost of Collection and Repair

The Customer is responsible for any and all costs incurred in the collection of monies due the Carrier including legal and accounting expenses. Customer is also responsible for recovery costs of carrier-provided equipment and any expenses required for repair or replacement of damaged equipment.

2.19 Late Fee

A late fee of 1.5% monthly will be charged on any past due balances beginning 30 days from the mailing date of the bill.

2.20 Return Check Charges

The Company's return check charge is consistent with applicable state law.

2.21 Reconnection Charge

A reconnection fee per occurrence, per line is charged when service is re-established for residential customers who have been disconnected for non-payment. Refer to section 9.1 for appropriate fee charges.

EFFECTIVE DATE:

ISSUED DATE:

2.22 Access to Telephone Relay Services

Where required by the Commission, the Company will participate in telephone relay services for handicapped and/or hearing impaired end users, and will comply with all regulations and requirements. The Company shall impose any monthly surcharge or any other related charge upon its local exchange telecommunications subscribers as may be required by state law.

2.23 Access to Carrier of Choice

End users of the Company's local service shall have the right to select the interexchange telecommunications service provider (IC) of their choice. The IC should request confirmation/verifications of choice from its customers no later than the date of submission of its first bill to the customer. ICs should maintain signed letters of agency or confirmations of choice on file for use in dispute resolution.

2.24 Directory listings

- 2.24.1 The Company does not publish a directory of subscriber listings. The Company, however, does arrange for the customer's main billing number to be placed in the directory or directories of the dominant local exchange carrier.
- 2.24.2 The rates and regulations specified herein for directory listings apply only to the alphabetical section of the directory. Listings are intended solely for the purpose of identifying subscriber's telephone number and as an aid to use of telephone service.
- 2.24.3 In accepting listings as requested by subscribers or prospective subscribers, the Company will not be a party to controversies between subscribers as a result of the publication of such listings in the directories.

ISSUED DATE:

EFFECTIVE DATE:

By:

2.25 911 Service

This service is offered solely as an aid in handling assistance calls in connection with fire, police and other emergencies. The Company is not responsible for any losses, claims, demands, suits or any liability whatsoever, whether suffered, made instituted or asserted by the Customer or by any other party or person for any personal injury or death of any person or persons, and for any loss, damage or destruction of any property, whether owned by the Customer or others, caused or claimed to have been caused by: (1) mistakes, omissions, interruptions, delays, errors or other defects in the provision of service, of (2) installation, operation, failure to operate, maintenance, removal, presence, condition, local or use of any equipment and facilities furnishing this service.

Neither is the Company responsible for any infringement, nor invasion of the right of privacy of any person or persons, caused or claimed to have been caused directly or indirectly, by the installation, operation, failure to operate, maintenance, removal, presence, condition, occasion or use of emergency 911 service features and the equipment associated therewith, or by any services furnished by the Company, including, but not limited to the identification of the telephone number, address or name associated with the telephone used by the party or parties accessing emergency 911 service, and which arise out of the negligence or other wrongful act of the Company, the Customer, its users, agencies or municipalities, or the employees or agents of any one of them.

When a Customer with a nonpublished telephone number, as defined herein, places a call to the emergency 911 service, the Company will release the name and address of the calling party, where such information can be determined, to the appropriate local governmental authority responsible for emergency 911 service upon request of such governmental authority. By subscribing to service under this rate sheet, the Customer acknowledges and agrees with the release of information as described above.

2.26 Miscellaneous and Recovery Rates and Charges

The Company may adjust its rates, charges, carrier costs or impose additional rates and charges on its Customers in order to recover amounts it is required by governmental or quasi-governmental authorities to collect from, or pay to others, in support of statutory or regulatory programs and network recovery costs. Examples of such programs include, but are not limited to: the Universal Service Fund and the Primary Interexchange Carrier Charge, Fees paid to support government programs such as Telecommunications Relay Service and Local Number Portability, additional indirect costs associated with administering and complying with these types of government programs.

ISSUED DATE:

EFFECTIVE DATE:

By:

SECTION 3 – DESCRIPTION OF SERVICE

3.1 Product Descriptions

3.1.1 General

Blue Casa will resell all of the underlying carrier's available features and services for residential customers that are eligible for resale limitation.

ISSUED DATE:

EFFECTIVE DATE:

By:

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SECTION 4 - MAXIMUM RATES

4.1 Rates - Residential

4.1.1 **Local Exchange Service**

Blue Casa offers local exchange service on a pre-paid, flat rate only.

4.1.2 **Installation Charges**

| | AT&T Verizo | | CenturyLink | Windstream |
|--------------------|-------------|----------|-------------|------------|
| | Areas | Areas | Areas | Areas |
| Connection Fee | \$239.85 | \$284.97 | \$84.99 | \$299.85 |
| Name Change | \$45.00 | \$90.00 | \$90.00 | \$120.00 |
| Number Change | \$105.00 | \$105.00 | \$105.00 | \$120.00 |
| Transfer | \$90.00 | \$90.00 | \$90.00 | \$120.00 |
| Upgrade/Downgrade | \$45.00 | \$90.00 | \$90.00 | \$90.00 |
| Reconnect Line | \$150.00 | \$150.00 | \$150.00 | \$150.00 |
| Restoration Fee | \$60.00 | \$60.00 | \$60.00 | \$60.00 |
| Change to Lifeline | \$90.00 | \$90.00 | \$90.00 | \$90.00 |

4.1.3 Service Rates

| | AT&T Areas | Verizon Areas | CenturyLink Areas | Windstream Areas |
|--|-------------------|-------------------|--------------------------|---------------------|
| Monthly Residential Service Basic | \$149.85 | \$164.85 | \$164.85 | \$164.85 |
| Advantage (includes caller ID plus Call Waiting; also includes 100 minutes LD) | \$164.85 | \$194.85 | \$194.85 | \$194.85 |
| Premium (includes 7 calling features and 100 minutes LD) | \$179.85 | N/A | N/A | N/A |
| Directory Assistance, per call Directory/Operator Assistance Block | \$8.97 \$15.00 | \$8.97 \$15.00 | \$8.97 \$15.00 | \$8.97 ° \$15.00 |

ISSUED DATE:

EFFECTIVE DATE:

By:

SECTION 4 - MAXIMUM RATES, CONT.

4.1 Rates - Residential, cont.

4.1.4 Optional Services

| | AT&T | Verizon | CenturyLink | Windstream |
|----------------------|---------|---------|-------------|------------|
| | Areas | Areas | Areas | Areas |
| Call Waiting | \$24.00 | \$24.00 | \$24.00 | \$24.00 |
| Call Waiting Deluxe | \$30.00 | \$30.00 | \$30.00 | \$30.00 |
| Call Forwarding | \$30.00 | \$30.00 | \$30.00 | \$30.00 |
| Three Way Calling | \$30.00 | \$30.00 | \$30.00 | \$30.00 |
| Speed Dial | \$30.00 | \$30.00 | \$30.00 | \$30.00 |
| Call Return | \$30.00 | \$30.00 | \$30.00 | \$30.00 |
| Caller ID | \$36.00 | \$36.00 | \$36.00 | \$36.00 |
| Caller ID Deluxe | \$36.00 | \$36.00 | \$36.00 | \$36.00 |
| Call Block | \$30.00 | \$30.00 | \$30.00 | \$30.00 |
| Call Tracing | \$30.00 | \$30.00 | \$30.00 | \$30.00 |
| Maintenance Plan | \$21.00 | \$21.00 | n/a | \$21.00 |
| Unpublished Number* | \$21.00 | \$21.00 | \$21.00 | \$21.00 |
| LD 250 minutes | \$29.85 | \$29.85 | \$29.85 | \$29.85 |
| LD unlimited minutes | \$59.85 | \$59.85 | \$59.85 | \$59.85 |

^{*}Requires Change Order Fee

ISSUED DATE:

EFFECTIVE DATE:

By:

SECTION 4 – MAXIMUM RATES, CONT.

4.2 Rates - Business

4.2.1 Local Exchange Service

Blue Casa offers local exchange service on a monthly pre-paid basis, AT&T Areas only.

4.2.2 Installation Charges

| Connection Fee | \$209.99 |
|-----------------|----------|
| Restoration Fee | \$60.00 |
| Reconnect Line | \$100.00 |

4.2.3 Service Rates

| Basic UNE Service | \$209.99 |
|--------------------------------|----------|
| Directory Assistance, per call | \$8.97 |

These features are included with a Customer's local service that elects to purchase the Company's UNE package. A Customer that elects to purchase the Company's basic package may add one or more of the following features at the monthly price indicated:

| Caller ID Deluxe | \$30.00 |
|------------------|---------|
| Call Waiting | \$30.00 |
| Call Return | \$30.00 |
| Call Forwarding | \$30.00 |
| 3 Way Calling | \$30.00 |
| Call Block | \$30.00 |
| Repeat Dialing | \$30.00 |
| Call Selector | \$30.00 |
| | |

4.2.4 Optional Services

| Unpublished Number | \$21.00 |
|--------------------|---------|
| Voice Mail | \$30.00 |
| Maintenance Plan | \$30.00 |

EFFECTIVE DATE:

ISSUED DATE:

By:

SECTION 5 - SPECIAL SERVICE ARRANGEMENTS

5.1 Individual Case Basis Arrangements

Arrangements will be developed on a case-by-case basis in response to a bona fide special request from a customer or prospective customer to develop a competitive bid for service not generally available under this tariff. Individual case basis (ICB) rates will be offered to the customer in writing and on a non-discriminatory basis. All such rates will be submitted to the Commission for approval.

ISSUED DATE:

EFFECTIVE DATE:

By:

SECTION 6 - SERVICE AREA

6.1 Service Area

Blue Casa will serve all areas of South Carolina which are serviced by AT&T, Verizon, CenturyLink, and Windstream.

ISSUED DATE:

EFFECTIVE DATE:

By:

SECTION 7 - LIFELINE

7.1 Eligibility

- 7.1.1 To be eligible for the Lifeline credit, a customer must be a current recipient of any one of the following low income assistance programs:
 - A. Temporary Assistance to Needy Families (TANF)
 - B. Supplemental Security Income (SSI)
 - C. Food Stamps
 - D. Medicaid
 - E. Low Income Home Energy Assistance Program (LIHEAP)
 - F. Federal Public Housing Assistance (Section 8)
 - G. National School Lunch Program's Free Lunch Initiative (NSLP)
- 7.1.2 Additionally, customers not receiving benefits under one of the preceding programs, and whose total gross annual income does not exceed one hundred and thirty-five percent (135%) of the federal poverty guidelines are eligible for Lifeline.

7.2 Certification

7.2.1 Proof of eligibility in any of the qualifying low income assistance programs or based on income should be provided by the eligible Lifeline subscriber to the Company at the time of application for service, unless the Company has access to an eligibility database with which they can verify applicant's eligibility. Lifeline customers must complete and sign a Lifeline certification form. The Lifeline credit will not be established until the Company has received such signed document. If the Customer requests installation prior to the Company's receipt of proof of eligibility, the requested service will be provided without the Lifeline credit. When eligibility documentation is provided subsequent to installation, the Lifeline credit will be provided on a going forward basis.

EFFECTIVE DATE:

SECTION 7 – LIFELINE, CONT.

7.2 Certification, cont.

- 7.2.2 The Company reserves the right to periodically audit its records, working in conjunction with the appropriate state agencies, for the purpose of determining continuing eligibility. Information obtained during such audit will be treated as confidential information to the extent required under State and Federal laws. The use or disclosure of information concerning enrollees will be limited to purposes directly connected with the administration of the Lifeline plan.
- 7.2.3 When a customer is determined to be ineligible as a result of an audit, the Company will contact the customer. If the customer cannot provide eligibility documentation within sixty (60) days, the Lifeline credit will be discontinued.
- 7.2.4 As a reseller providing Lifeline service from this tariff, the Company is responsible for determining proof of eligibility prior to requesting the service. As set forth in 47 C.F.R. § 54.417(a) and (b), a reseller must provide a certification, upon request to the Commission, the Administrator or the ILEC that it is complying with all FCC and applicable State requirements governing Lifeline, including certification and verification procedures. The Company is required to retain the required documentation for three (3) years and be able to produce the documentation to the Commission or its Administrator to demonstrate that they are providing discounted services only to qualified low-income customers.

Disclosure requirements described in 7.2.2 preceding are applicable to resellers of Lifeline service.

7.3 Rates & Charges

7.3.1 General

- A. Lifeline is provided as a monthly credit on the eligible residential subscriber's access line bill for local service.
- B. Service charges are applicable for installing or changing Lifeline service.
- C. Reserved for future use
- D. The secondary service charge is not applicable when existing service is converted intact to Lifeline service.

EFFECTIVE DATE:

SECTION 7 – LIFELINE, CONT.

7.3 Rates and Charges, cont.

7.3.2 The total Lifeline credit consists of one federal credit plus one Company credit.

| A. | Federal Lifeline Subsidy | Monthly |
|----|--------------------------|---------|
| | One per Lifeline service | \$ 9.25 |

B. Company Credit
One per Lifeline service

\$ 3.50

ISSUED DATE:

EFFECTIVE DATE:

By:

SECTION 8 - RESERVED FOR FUTURE USE

ISSUED DATE:

EFFECTIVE DATE:

By:

SECTION 8 – RESERVED FOR FUTURE USE, CONT.

ISSUED DATE:

EFFECTIVE DATE:

By:

SECTION 9 - CURRENT PRICE LIST

9.1 Rates - Residential

9.1.1 Local Exchange Service

Blue Casa offers local exchange service on a pre-paid, flat rate only.

9.1.2 Installation Charges

| | AT&T | Verizon | CenturyLink | Windstream |
|-----------------------------|---------|---------|-------------|------------|
| | Areas | Areas | Areas | Areas |
| Connection Fee ¹ | \$40.00 | \$85.00 | \$85.00 | \$85.00 |
| Name Change | \$20.00 | \$20.00 | \$20.00 | \$20.00 |
| Number Change | \$35.00 | \$35.00 | \$35.00 | \$35.00 |
| Transfer | \$59.95 | \$59.95 | \$59.95 | \$59.95 |
| Upgrade/Downgrade | \$15.00 | \$15.00 | \$15.00 | \$15.00 |
| Reconnect Line | \$40.00 | \$40.00 | \$40.00 | \$40.00 |
| Restoration Fee | \$28.00 | \$28.00 | \$28.00 | \$28.00 |
| Change Order Fee | \$15.00 | \$15.00 | \$15.00 | \$15.00 |

9.1.3 Service Rates

| | AT&T Areas | Verizon Areas | CenturyLink Areas | Windstream Areas |
|--|------------------|------------------|----------------------|---------------------|
| Monthly Residential Service Basic | \$33.45 | \$49.45 | \$49.45 | \$49.45 |
| Advantage (includes caller ID plus Call Waiting; also includes 100 minutes LD) | \$38.45 | \$59.45 | \$59.45 | \$59.45 |
| Premium (includes 7 calling features and 100 minutes LD) | \$43.45 | N/A | N/A | N/A |
| Directory Assistance, per call Directory/Operator Assistance Block | \$2.99 \$5.00 | \$2.99 \$5.00 | | \$2.99 \$5.00 |

ISSUED DATE:

EFFECTIVE DATE:

By:

¹ The Connection Fee may be collected over a 12 month payment plan. The Company may discount or waive the Connection Fee for Lifeline customers.

SECTION 9 - CURRENT PRICE LIST, CONT.

9.1 Rates - Residential, cont.

9.1.4 Optional Services

| | AT&T | Verizon | CenturyLink | Windstream |
|----------------------|---------|---------|-------------|------------|
| | Areas | Areas | Areas | Areas |
| Call Waiting | \$8.00 | \$8.00 | \$8.00 | \$8.00 |
| Call Waiting Deluxe | \$10.00 | \$10.00 | \$10.00 | \$10.00 |
| Call Forwarding | \$10.00 | \$10.00 | \$10.00 | \$10.00 |
| Three Way Calling | \$10.00 | \$10.00 | \$10.00 | \$10.00 |
| Speed Dial | \$10.00 | \$10.00 | \$10.00 | \$10.00 |
| Call Return | \$10.00 | \$10.00 | \$10.00 | \$10.00 |
| Caller ID | \$12.00 | \$12.00 | \$12.00 | \$12.00 |
| Caller ID Deluxe | \$12.00 | \$12.00 | \$12.00 | \$12.00 |
| Call Block | \$10.00 | \$10.00 | \$10.00 | \$10.00 |
| Call Tracing | \$10.00 | \$10.00 | \$10.00 | \$10.00 |
| Maintenance Plan | \$7.50 | \$3.00 | n/a | \$7.50 |
| Unpublished Number* | \$7.00 | \$7.00 | \$7.00 | \$7.00 |
| LD 250 minutes | \$5.00 | \$5.00 | \$5.00 | \$5.00 |
| LD unlimited minutes | \$10.00 | \$10.00 | \$10.00 | \$10.00 |

^{*}Requires Change fee

ISSUED DATE:

EFFECTIVE DATE:

By:

SECTION 9 – CURRENT PRICE LIST, CONT.

9.2 Rates - Business

9.2.1 Local Exchange Service

Blue Casa offers local exchange service on a monthly pre-paid basis, AT&T Areas only.

9.2.2 Installation Charges

| Connection Fee | \$109.99 |
|-----------------|----------|
| Restoration Fee | \$28.00 |
| Reconnect Line | \$50.00 |

9.2.3 Service Rates

| Basic UNE Service | \$89.99 |
|--------------------------------|---------|
| Directory Assistance, per call | \$2.99 |

These features are included with a Customer's local service that elects to purchase the Company's UNE package. A Customer that elects to purchase the Company's basic package may add one or more of the following features at the monthly price indicated:

| Caller ID Deluxe | \$15.00 |
|------------------|---------|
| Call Waiting | \$10.00 |
| Call Return | \$10.00 |
| Call Forwarding | \$10.00 |
| 3 Way Calling | \$10.00 |
| Call Block | \$10.00 |
| Repeat Dialing | \$10.00 |
| Call Selector | \$10.00 |

9.2.4 Optional Services

| Unpublished Number | \$ 7.00 |
|--------------------|---------|
| Voice Mail | \$12.00 |
| Maintenance Plan | \$10.00 |

ISSUED DATE:

EFFECTIVE DATE:

By:

EXHIBIT "F" PROPOSED INTEREXCHANGE TARIFF

TITLE SHEET

SOUTH CAROLINA TELECOMMUNICATIONS TARIFF

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of service or facilities for Telecommunications Services furnished by Blue Casa Telephone, LLC ("Blue Casa"), with principal offices at 114 E. Haley Street, Suite A, Santa Barbara, California 93101. This tariff applies for services furnished within the State of South Carolina. This tariff is on file with the South Carolina Public Service Commission, and copies may be inspected, during normal business hours, at the company's principal place of business.

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By:

Effective:

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CONCURRING, CONNECTING OR OTHER PARTICIPATING CARRIERS

- 1. Concurring Carriers None
- 2. Connecting Carriers None
- 3. Other Participating Carriers None

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CHECK SHEET

The Sheets of this tariff are effective as of the date shown at the bottom of the respective sheet(s). Original and revised sheets as named below comprise all changes from the original tariff and are currently in effect as of the date on the bottom of this sheet.

| SHEET | REVISION |
|-------------|----------|
| 1 | Original |
| 2 | Original |
| 3 | Original |
| 3 4 5 | Original |
| | Original |
| 6 | Original |
| 7 | Original |
| 8 | Original |
| 9 | Original |
| 10 | Original |
| 11 | Original |
| 12 | Original |
| 13 | Original |
| 14 | Original |
| 15 | Original |
| 16 | Original |
| 17 | Original |
| 18 | Original |
| 19 | Original |
| 20 | Original |
| 21 | Original |
| 22 | Original |
| 23 | Original |
| 24 | Original |
| 25 | Original |
| 26 | Original |

^{*} New or Revised Sheet

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ORIGINAL SHEET 4 SOUTH CAROLINA PSC TARIFF NO. 1

| TABLE OF CONTENTS | |
|---|-----|
| Pa | age |
| Title Sheet | . 1 |
| Concurring, Connecting or Other Participating | |
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| Tariff Format | . 5 |
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| Section 1 - Technical Terms and Abbreviations | |
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| Section 3 - Description of Service | |
| Section 4- Current Rates | |
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TARIFF FORMAT

- A. Sheet Numbering: Sheet numbers appear in the upper right corner of the page. Sheets are numbered sequentially. However, new sheets are occasionally added to the tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between pages 11 and 12 would be page 11.1.
- B. Sheet Revision Numbers: Revision numbers also appear in the upper right corner of each sheet where applicable. These numbers are used to indicate the most current page version on file with the Commission. For example, 4th Revised Sheet 13 cancels 3rd Revised Sheet 13. Consult the Check Sheet for the sheets currently in effect.
- C. Paragraph Numbering Sequence: There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:

2. 2.1 2.1.1 2.1.1.A 2.1.1.A.1 2.1.1.A.1.(a) 2.1.1.A.1.(a).I.(i) 2.1.1.A.1.(a).I.(i)

D. Check Sheets: When a tariff filing is made with the Commission, an updated Check Sheet accompanies the tariff filing. The Check Sheet lists the sheets contained in the tariff, with a cross reference to the current Revision Number. When new sheets are added, the Check Sheet is changed to reflect the revision. All revisions made in a given filing are designated by an asterisk (*). There will be no other symbols used on this sheet if these are the only changes made to it (i.e., the format, etc. remains the same, just revised revision levels on some sheets). The tariff user should refer to the latest Check Sheet to find out if a particular sheet is the most current on Commission file.

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SYMBOLS

The following are the only symbols used for the purposes indicated below:

- D Delete or Discontinue
- I Change Resulting In An Increase to A Customer's Bill
- M Moved from Another Tariff Location
- N New
- R Change Resulting In A Reduction to A Customer's Bill
- T Change in Text or Regulation But No Change In Rate or Charge

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SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS

Access Line - An arrangement from a local exchange telephone company or other common carrier, using either dedicated or switched access, which connects a Customer's location to the Company's location or switching center.

<u>Authorization Code</u> - A numerical code, one or more of which may be assigned to a Customer, to enable the Company to identify the origin of the Customer so it may rate and bill the call. Automatic number identification (ANI) is used as the authorization code wherever possible.

<u>Commission</u> - Used throughout this tariff to mean the South Carolina Public Service Commission.

<u>Company or Blue Casa</u> - Used throughout this tariff to mean Blue Casa Telephone, LLC, a California Limited Liability Company.

<u>Customer</u> - The person, firm, corporation or other legal entity which orders the services of the Company or purchases a Company Prepaid Calling Card and/or originates prepaid calls using such cards, and is responsible for the payment of charges and for compliance with the Company's tariff regulations.

<u>Dedicated Access</u> - The Customer gains entry to the Company's services by a direct path from the customer's location to the company's point of presence.

Holiday - New Year's Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. Holidays shall be billed at the evening rate from 8 a.m. to 11 p.m. After 11 p.m., the lower night rate shall go into effect.

<u>Prepaid Account</u> - An inventory of Telecom Units purchased in advance by the Customer, and associated with one and only one Authorization Code as contained in a specific Prepaid Calling Card.

ORS - South Carolina Office of Regulatory Staff.

Resp. Org - Responsible Organization or entity identified by a Toll-Free service Customer that manages and administers records in the toll free number database and management system.

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Effective:

By:

SECTION 1 - TECHNICAL TERMS AND ABBREVIATIONS (Continued)

<u>Switched Access</u> - The Customer gains entry to the company's services by a transmission line that is switched through the local exchange carrier to reach the company's point of presence.

<u>Telecom Unit</u> - A measurement of telecommunications service equivalent to one minute of usage between any two points within the State of South Carolina.

<u>Telecommunications</u> - The transmission, between or among points specified by the user, of information of the user's choosing, without change in the form or content of the information as sent and received.

<u>Underlying Carrier</u> - The telecommunications carrier whose network facilities provide the technical capability and capacity necessary for the transmission and reception of Customer telecommunications traffic.

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2.1 **Undertaking of the Company**

This tariff contains the regulations and rates applicable to intrastate interexchange telecommunications services provided by the Company for telecommunications between points within the State of South Carolina. Services are furnished subject to the availability of facilities and subject to the terms and conditions of this tariff in compliance with limitations set forth in the Commission's rules. The Company's services are provided on a statewide basis and are not intended to be limited geographically. The Company offers service to all those who desire to purchase service from the Company consistent with all of the provisions of this tariff. Customers interested in the Company's services shall file a service application with the Company which fully identifies the Customer, the services requested and other information requested by the Company. The Company may rely upon a letter of credit prior to accepting a service order. The Company may act as the Customer's agent for ordering access connection facilities provided by other carriers or entities when authorized by the Customer, to allow connection of a Customer's location to a service provided by the Company. The Customer shall be responsible for all charges due for such service arrangement. Any marketing efforts will clearly indicate to potential customers the nature of the transaction which is being offered. Materials submitted to prospective customers will clearly indicate that those customers will be changing their long distance carrier if they accept such solicitation. As a telephone utility under the regulation of the Commission, the Company does hereby assert and affirm that as a reseller of intrastate telecommunications services it shall not indulge or participate in deceptive or misleading telecommunications marketing practices to the detriment of consumers in South Carolina, and it shall comply with those marketing procedures, if any, set forth by the Commission. Additionally, the Company shall be responsible for the marketing practices of its contracted telemarketers and for their compliance with this provision.

The Company understands that violation of this provision could result in a rule to show cause as to the withdrawal of its certification to complete intrastate telecommunications traffic within the State of South Carolina.

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2.1 Undertaking of the Company (Continued)

- 2.1.1 The services provided by the Company are not part of a joint undertaking with any other entity providing telecommunications channels, facilities, or services, but may involve the resale of the Message Toll Services (MTS) and Wide Area Telecommunications Services (WATS) of underlying common carriers subject to the jurisdiction of this Commission.
- 2.1.2 The rates and regulations contained in this tariff apply only to the services furnished by the Company and do not apply, unless otherwise specified, to the lines, facilities, or services provided by a local exchange telephone company or other common carriers for use in accessing the services of the Company.
- 2.1.3 The Company reserves the right to limit the length of communications, to discontinue furnishing services, or limit the use of service necessitated by conditions beyond its control, including, without limitation: lack of satellite or other transmission medium capacity; the revision, alteration or repricing of the Underlying Carrier's tariffed offerings; or when the use of service becomes or is in violation of the law or the provisions of this tariff.

2.2 Use of Services

- 2.2.1 The Company's services may be used for any lawful purpose consistent with the transmission and switching parameters of the telecommunications facilities utilized in the provision of services, subject to any limitations set forth in this Section 2.2.
- 2.2.2 The use of the Company's services to make calls which might reasonably be expected to frighten, abuse, torment, or harass another or in such a way as to unreasonably interfere with use by others is prohibited.
- 2.2.3 The use of the Company's services without payment for service or attempting to avoid payment by fraudulent means or devices, schemes, false or invalid numbers, or false calling or credit cards is prohibited.
- 2.2.4 The Company's services are available for use 24 hours per day, seven days per week.

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2.2 <u>Use of Services (Continued)</u>

- 2.2.5 The Company does not transmit messages, but the services may be used for that purpose.
- 2.2.6 The Company's services may be denied for nonpayment of charges or for other violations of this tariff.
- 2.2.7 Customers shall not use the service provided under this tariff for any unlawful purpose.
- 2.2.8 The Customer is responsible for notifying the Company immediately of any unauthorized use of services.

2.3 Liability of the Company

2.3.1 The Company shall not be liable for any claim, loss, expense or damage for any interruption, delay, error, omission, or defect in any service, facility or transmission provided under this tariff, if caused by the Underlying Carrier, an act of God, fire, war, civil disturbance, act of government, or due to any other causes beyond the Company's control.

The Company shall comply with the Rules and Regulations contained in the Public Service Commission of South Carolina's Telecommunications Utilities Regulations.

- 2.3.2 The Company shall not be liable for, and shall be fully indemnified and held harmless by the Customer against any claim, loss, expense, or damage for defamation, libel, slander, invasion, infringement of copyright or patent, unauthorized use of any trademark, trade name or service mark, proprietary or creative right, or any other injury to any person, property or entity arising out of the material, data or information transmitted.
- 2.3.3 No agent or employee of any other carrier or entity shall be deemed to be an agent or employee of the Company.

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2.3 <u>Liability of the Company (Continued)</u>

- 2.3.4 The Company's liability for damages, resulting in whole or in part from or arising in connection with the furnishing of service under this tariff, including but not limited to mistakes, omissions, interruptions, delays, errors, or other defects or misrepresentations shall not exceed an amount equal to the charges provided for under this tariff for the long distance call for the period during which the call was affected. No other liability in any event shall attach to the Company.
- 2.3.5 The Company shall not be liable for and shall be indemnified and saved harmless by any Customer or by any other entity from any and all loss, claims, demands, suits, or other action or any liability whatsoever, whether suffered, made, instituted, or asserted by any Customer or any other entity for any personal injury to, or death of, any person or persons, and for any loss, damage, defacement or destruction of the premises of any Customer or any other entity or any other property whether owned or controlled by the Customer or others.
- 2.3.6 The Company shall not be liable for any indirect, special, incidental, or consequential damages under this tariff including, but not limited to, loss of revenue or profits, for any reason whatsoever, including the breakdown of facilities associated with the service, or for any mistakes, omissions, delays, errors, or defects in transmission occurring during the course of furnishing service.
- 2.3.7 The remedies set forth herein are exclusive and in lieu of all other warranties and remedies, whether express, implied, or statutory, INCLUDING WITHOUT LIMITATION IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.
- 2.3.8 The Company shall comply with the rules and regulations contained in the Public Service Commission of South Carolina's telecommunications utilities regulations.

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2.3 <u>Liability of the Company (Continued)</u>

2.3.9 NOTICE CONCERNING ALL TERMS AND CONDITIONS AND RATES

The Public Service Commission of South Carolina ("Commission" or "SCPSC") requires that each telephone company's Terms and Conditions comply with and not conflict with regulations and requirements of South Carolina Statutes, S.C. Code Sections 58-9-10 et seq. and the regulations found in South Carolina Code Binder 26, Chapter 103, Article 6. Any provision in these Terms and Conditions or rate schedules that conflicts with a South Carolina statute or SCPSC rule is inapplicable and will not be enforceable. The following regulations apply to telephone utilities and contain provisions that affect matters that commonly appear in telephone utility Terms and Conditions:

Subarticle 1 - General

Subarticle 2 - Records and Reports including Complaints,
Accidents, Interruption of Service, and Service
Reports

Subarticle 3 - Customer Relations including Standards for Customer Deposits, Billing, Denial or Discontinuance of Service, Directories and Termination of Service

Subarticle 4 - Engineering

Subarticle 5 - Inspection and Tests

Subarticle 6 - Standards and Quality of Service

Subarticle 7 - Safety

Subarticle 8 - Telecommunication Relay Service Advisory
Committee

This Company agrees that it is responsible for complying with all applicable rules, regulations, and orders of the Public Service Commission of South Carolina and with the South Carolina Code. It understands that if it applies or enforces any provision of these Terms and Conditions that is in conflict with a rule, regulation or order of the SCPSC or the South Carolina Code, the rule, regulation, order or statute will govern. Full Terms of Service are available on the Company's website.

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By:

Effective:

Jeff Compton, President 114 E. Haley Street, Suite A Santa Barbara, California 93101 Phone No.: (805) 886-2862

2.4 Responsibilities of the Customer

- 2.4.1 The Customer is responsible for placing any necessary orders and complying with tariff regulations. The Customer is also responsible for the payment of charges for services provided under this tariff.
- 2.4.2 The Customer is responsible for charges incurred for special construction and/or special facilities which the Customer requests and which are ordered by the Company on the Customer's behalf.
- 2.4.3 If required for the provision of the Company's services, the Customer must provide any equipment space, supporting structure, conduit and electrical power without charge to the Company.
- 2.4.4 The Customer is responsible for arranging access to its premises at times mutually agreeable to the Company and the Customer when required for Company personnel to install, repair, maintain, program, inspect or remove equipment associated with the provision of the Company's services.
- 2.4.5 The Customer shall cause the temperature and relative humidity in the equipment space provided by Customer for the installation of the Company's equipment to be maintained within the range normally provided for the operation of microcomputers.
- 2.4.6 The Customer shall ensure that the equipment and/or system is properly interfaced with the Company's facilities or services, that the signals emitted into the Company's network are of the proper mode, bandwidth, power and signal level for the intended use of the subscriber and in compliance with criteria set forth in this tariff, and that the signals do not damage equipment, injure personnel, or degrade service to other Customers. If the Federal Communications Commission or some other appropriate certifying body certifies terminal equipment as being technically acceptable for direct electrical connection with interstate communications service, the Company will permit such equipment to be connected with its channels without the use of protective interface devices. If the Customer fails to maintain the equipment and/or the system properly, with resulting imminent harm to the Company equipment, personnel or the quality of service to other Customers, the Company may, upon written notice, require the use of protective equipment at the Customer's expense. If this fails to produce satisfactory quality and safety, the Company may, upon written notice, terminate the Customer's service.

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2.4 Responsibilities of the Customer (Continued)

- 2.4.7 The Customer must pay the Company for replacement or repair of damage to the equipment or facilities of the Company caused by negligence or willful act of the Customer or others, by improper use of the services, or by use of equipment provided by Customer or others.
- 2.4.8 The Customer must pay for the loss through theft of any Company equipment installed at Customer's premises.
- 2.4.9 If the Company installs equipment at Customer's premises, the Customer shall be responsible for payment of any applicable installation charge.
- 2.4.10 The Customer must use the services offered in this tariff in a manner consistent with the terms of this tariff and the policies and regulations of all state, federal and local authorities having jurisdiction over the service.

2.5 Reasons for Denial, Discontinuance or Interruption of Service

- 2.5.1 Pursuant to the Commission's Regulations 103-625, Service may be refused or discontinued for any of the reasons listed below, or for any reason set forth in the Company's individual contracts for services:
 - 2.5.1.A For nonpayment of any sum due the Company for more than thirty (30) days after issuance of the bill for the amount due,
 - 2.5.1.B For violation of any of the provisions of this tariff,
 - 2.5.1.C For violation of any law, rule, regulation, policy of any governing authority having jurisdiction over the Company's services, or

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2.5 Reasons for Denial, Discontinuance or Interruption of Service (Continued)

2.5.1 (Continued)

| 2.5.1.D | By reason of any order or decision of a court, state or federal |
|---------|---|
| | regulatory body or other governing authority prohibiting the |
| | Company from furnishing its services. |

Service will be terminated only on Monday through Thursday between the hours of 8:00 am and 4:00 pm unless provisions have been made to have someone available to accept payment and reconnect service.

- 2.5.1 E By tampering with equipment furnished and/or owned by the Company.
- 2.5.1 F For violation and/or non-compliance with the Commission's Orders or regulations governing service by the company.
- 2.5.1 G For failure to fulfill contractual obligations for service and/or facilities subject to regulation by the Commission.
- 2.5.1 H For failure of the Customer to permit the Company reasonable access to its equipment.
- 2.5.1 I In cases involving abnormal and excessive use of toll service, service may be denied two (2) days after written notice is given to the customer, unless satisfactory arrangements for payment are made.
- 2.5.1 J For failure of the customer to furnish permits, certificates, and/or right-of-ways, as necessary to obtain service, or in the event such permissions are withdrawn or terminated.
- 2.5.1 K Where there is probable cause to believe that there is illegal or willful misuse of telephone utility's service.

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2.5 Reasons for Denial, Discontinuance or Interruption of Service (Continued)

- 2.5.2 Without incurring liability, the Company may interrupt the provision of services at any time in order to perform tests and inspections to assure compliance with tariff regulations and the proper installation and operation of Customer and the Company's equipment and facilities and may continue such interruption until any items of noncompliance or improper equipment operation so identified are rectified.
- 2.5.3 Service may be discontinued by the Company without notice to the Customer, by blocking traffic to certain countries, cities or NXX exchanges, or by blocking calls using certain Customer authorization codes, in the event of hazardous or dangerous conditions determined by the Company. Also, in the event of Customer use of equipment in such a manner as to adversely affect the Company's service to others, in the event of unauthorized use of telephone service.
- 2.5.4 Customer will be liable for all usage on any of the Company's service offerings until the Customer actually leaves the service. Customers will continue to have Company usage until the Customer notifies its local exchange carrier and changes its long distance carrier. Until the Customer so notifies its local exchange carrier, it shall continue to generate and be responsible for long distance usage.

2.6 Credit Allowance

- 2.6.1 Credit may be given for disputed calls, on a per call basis.
- 2.6.2 Credit shall not be issued for unavailability of long distance services.

2.7 Restoration of Service

The use and restoration of service shall be in accordance with the priority system specified in part 64, Subpart D of the Rules and Regulations of the Federal Communications Commission.

2.8 Deposit

The Company does not require deposits.

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By:

2.9 Payment and Billing

- 2.9.1 Service is provided and billed on a billing cycle basis, beginning on the date that service becomes effective. Billing is payable upon receipt. All of the company's payment and billing practices will conform with Commission rules and regulations, including Rule 103-622.
- 2.9.2 The customer is responsible for payment of all charges for services furnished to the Customer, as well as to all persons using the Customer's codes, exchange lines, facilities, or equipment, with or without the knowledge or consent of the Customer. The security of the Customer's Authorization Codes, presubscribed exchange lines, and direct connect facilities is the responsibility of the Customer. All calls placed using direct connect facilities, presubscribed exchange lines, or Authorization Codes will be billed to and must be paid by the Customer. Charges based on actual usage during a month and any accrued interest will be billed monthly in arrears.
- 2.9.3 All bills are presumed accurate, and shall be binding on the customer unless objection is received by the Company in writing or orally within the applicable statute of limitations. No credits, refunds, or adjustments shall be granted if demand therefore is not received by the Company in writing within such limitation period.

2.10 Collection Costs

In the event Company is required to initiate legal proceedings to collect any amounts due to Company for regulated or non-regulated services, equipment or facilities, or to enforce any judgment obtained against a Customer, or for the enforcement of any other provision of this tariff or applicable law, Customer shall, in addition to all amounts due, be liable to Company for all reasonable costs incurred by Company in such proceedings and enforcement actions, including reasonable attorneys' fees, collection agency fees or payments, and court costs. In any such proceeding, the amount of collection costs, including attorneys' fees, due to the Company, will be determined by the court.

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2.11 Taxes

All federal, state and local taxes, assessments, surcharges, or fees, including sales taxes, use taxes, and municipal utilities taxes, are billed as separate line items and are not included in the rates quoted herein.

2.12 Late Charge

A one-time late fee of 1.5% monthly or the amount otherwise authorized by law, whichever is lower, may be added to any unpaid balance brought forward from the previous month's billing date.

2.13 Returned Check Charge

A fee will be charged whenever a check or draft presented for payment for service is not accepted by the institution on which it is written, however, the charge may equal but not exceed the rate allowed by S.C. Code Annotated Section 34-11-70.

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By:

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SECTION 3 - DESCRIPTION OF SERVICE

3.1 Computation of Charges

- 3.1.1 The total charge for each completed call may be a variable measured charge dependent on the duration, distance and time of day of the call. The total charge for each completed call may also be dependent only on the duration of the call, i.e. a statewide flat rate per minute charge. The variable measured charge is specified as a rate per minute which is applied to each minute. All calls are measured in increments as set forth in the Rates Section of this tariff. Fractions of a billing increment are rounded up to a full billing increment on a per call basis. Fractions of a cent per minute are rounded up to a full cent on a per call basis.
- Where mileage bands appear in a rate table, rates for all calls are based upon the airline distance between the originating and terminating points of the call, as determined by the vertical and horizontal coordinates associated with the exchange (the area code and three digit central office code) associated with the originating and terminating telephone numbers. If the Customer obtains access to the Company's network by a dedicated access circuit, that circuit will be assigned an exchange for rating purposes based upon the Customer's main telephone number at the location where the dedicated access circuit terminates. The vertical and horizontal (V & H) coordinates for each exchange and the airline distance between them will be determined according to industry standards.
- 3.1.3 Timing begins when the called station is answered and two way communication is possible, as determined by standard industry methods generally in use for ascertaining answer, including hardware answer supervision in which the local telephone company sends a signal to the switch or the software utilizing audio tone detection. Recognition of answer supervision is the responsibility of the Underlying Carrier. Timing for each call ends when either party hangs up. The Company will not bill for uncompleted calls.

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Effective:

SECTION 3 - DESCRIPTION OF SERVICE (Continued)

3.2 Customer Complaints and/or Billing Disputes

The Company will comply with Commission Regulation 103-623 Adjustment of Bills

Customer inquiries or complaints regarding service or accounting may be made in writing or by telephone to the Company at:

114 E. Haley Street, Suite A
Santa Barbara, California 93101
Customer Service: (866) 566-2583

Any objection to billed charges should be reported promptly to the Company. Adjustments to Customers' bills shall be made to the extent that records are available and/or circumstances exist which reasonably indicate that such charges are not in accordance with approved rates or that an adjustment may otherwise be appropriate. Where overbilling of a subscriber occurs, due either to Company or subscriber error, no liability exists which will require the Company to pay any interest, dividend or other compensation on the amount overbilled; provided, however, in the event that the Company has willfully overcharged any Customer, the Company shall refund the difference, plus interest, as prescribed by the Commission.

All unresolved disputes with the Company may be filed with ORS at the following address and telephone number:

Office of Regulatory Staff Consumer Affairs Division 1401 Main Street, Suite 900 Columbia, SC 29201 Telephone No.: 803-737-5230

Toll Free No.: 800-922-1531 Fax No.: 803-737-4750

3.3 Level of Service

A Customer can expect end to end network availability of not less than 99% at all times for all services.

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By:

Effective:

Jeff Compton, President
114 E. Haley Street, Suite A
Santa Barbara, California 93101
Phone No.: (805) 886-2862
E-Mail Address: INSERT EMAIL ADDRESS

SECTION 3 - DESCRIPTION OF SERVICE (Continued)

3.4 **Billing Entity Conditions**

When billing functions on behalf of the Company or its intermediary are performed by local exchange telephone companies or others, the payment of charge conditions and regulations of such companies and any regulations imposed upon these companies by regulatory bodies having jurisdiction apply. The Company's name and toll-free telephone number will appear on the Customer's bill.

3.5.1 1+ Dialing

This service permits Customers to originate calls via switched or dedicated access lines, and to terminate intrastate calls. The Customer dials "1+" followed by "ten digits" or dials "101XXXX" followed by "1+ ten digits".

Reserved For Future Use 3.5.2

3.5.3 Toll-Free Service

This service is inbound calling only where an 800, 888 or other toll-free prefix number rings into a Customer's premise routed to a specific telephone number or terminated over a dedicated facility.

3.5.4 Directory Assistance.

Access to long distance directory assistance is obtained by dialing 1 + 555-1212 for listings within the originating area code and 1 + (area code) + 555-1212 for other listings. When more than one number is requested in a single call, a charge will apply for each number requested. A charge will be applicable for each number requested, whether or not the number is listed or published.

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SECTION 3 - DESCRIPTION OF SERVICE (Continued)

3.5 Service Offerings (Continued)

3.5.5 Specialized Pricing Arrangements.

Customized service packages and competitive pricing packages at negotiated rates may be furnished on a case-by-case basis in response to requests by Customers to the Company for proposals or for competitive bids. Service offered under this tariff provision will be provided to Customers pursuant to contract. Unless otherwise specified, the regulations for such arrangements are in addition to the applicable regulations and prices in other sections of the tariff. Specialized rates or charges will be made available to similarly situated Customers on a nondiscriminatory basis. All individual case basis arrangements will be submitted to the Commission. Such arrangements will be provided to ORS upon request.

Emergency Call Handling Procedures

Emergency "911" calls are not routed to company, but are completed through the local network at no charge.

Promotional Offerings 3.5.7

The Company may, from time to time, make promotional offerings to enhance the marketing of its services. These offerings may be limited to certain dates, times and locations. The Company will notify the Commission and ORS of such offerings at least 14 days prior to the effective date of such offerings.

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SECTION 4 - CURRENT RATES

4.1 <u>1+ Dialing</u>

Outbound long distance service is sold in units of \$5, \$10, \$20, \$40, and \$80, and is offered in connection with the company's prepaid local exchange offering.

4.2 Travel Cards

\$.199 per minute

A \$.25 per call service charge applies. Billed in one minute increments.

4.3 Toll Free

\$0.150 per minute

A \$10 per month per number service charge applies. Billed in one minute increments.

4.4 Reserved For Future Use

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SECTION 4 - CURRENT RATES (Continued)

4.5 <u>Directory Assistance</u> \$.95

4.6 Returned Check Charge

\$30.00

4.7 Payphone Dial Around Surcharge

A dial around surcharge of \$.30 per call will be added to any completed INTRAstate toll access code and subscriber toll-free 800/888 type calls placed from a public or semi-public payphone.

4.8 Universal Service Fund Assessment

The Customer may be assessed a monthly Universal Service Fund Contribution charge on telecommunications or equivalent retail services, which in no event shall exceed the contribution percentage rate charged the Company (or any successor) by the Universal Service Administrative Company or any state agency or its administrator.

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Jeff Compton, President 114 E. Haley Street, Suite A Santa Barbara, California 93101 Phone No.: (805) 886-2862

SECTION 5 - MAXIMUM RATES

5.1 1+& 101XXXX Dialing

\$0.50 per minute A \$10 per month per number service charge

5.2 Reserved for Future Use.

5.3 **Toll Free Service**

\$0.30 per minute A \$10 per month per number service charge

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